BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2003-50-S - ORDER NO. 2003-229

APRIL 8, 2003

	Application of United Utility Companies, Inc. for Approval of an Expansion of its Existing Sewer Service Area to Include Certain Portions of Greenville County, South)) ORDER APPROVING) EXPANSION OF) SERVICE AREA AND) CONTRACT))
	Carolina and Approval of Contract to Serve the School District of Greenville County.))	

This matter comes before the Public Service Commission of South Carolina ("Commission") on the application filed by United Utility Companies, Inc. ("UUC") seeking approval of an expansion to its authorized service territory and approval of a contract enabling UUC to provide sewer service to the School District of Greenville County. By its application, UUC seeks an extension of its authorized sewerage service area to include certain additional portions of Greenville County, South Carolina. Additionally, UUC seeks to provide sewer service to the School District of Greenville County ("School District") in accordance with a contract between UUC and the School District. On the condition that no intervention is filed, UUC further requests that its Application be given expedited review or that the hearing on this matter be waived. UUC's Application was filed pursuant to 26 S.C. Code Ann. Regs. 103-501 and 103-504 (Supp. 2002).

26 S.C. Code Regs. 103-504 (Supp. 2002) provides that "no existing public utility supplying sewerage disposal to the public ... shall hereafter sell, acquire, transfer, begin the construction or operation of any utility system, or any extension thereof, ... without

first obtaining from the Commission a certificate that the sale, transfer, or acquisition is in the public interest, or that public convenience and necessity require or will require construction or operation of any utility system, or extension."

By letter dated February 21, 2003, the Commission's Executive Director instructed UUC to publish a prepared Notice of Filing in newspapers of general circulation in the areas affected by the Application. The purpose of the Notice of Filing was to provide notice of the Application to any interested parties and to advise interested parties of the manner and time in which to file pleadings to participate in the docket. UUC filed an Affidavit of Publication as proof that it had complied with the instructions of the Executive Director. No Petitions to Intervene, letters of protest, or comments were received by the Commission with regard to the instant Application. Although 26 S.C. Code Regs. 103-504 (Supp. 2002) also provides for notice and due hearing, 26 S.C. Code Regs. 103-501(3) (1976) provides that "in any case where compliance with any of these rules and regulations introduces unusual difficulty, such rules or regulations may be waived by the Commission upon a finding by the Commission that such waiver is in the public interest." Where extensions to service territory have been sought by a utility due to a potential customer or customers seeking the service from the utility, this Commission notes that it has previously waived notice and hearing on such extensions as part of the public interest. Since the School District desires to have its sewer service provided by UUC to the Proposed Service Area as provided in the Agreement, we grant to UUC a waiver of hearing and will therefore proceed to dispose of the matter summarily.

In seeking an extension of its service territory to include additional portions of Greenville County, South Carolina and to enable UUC to serve the School District of Greenville County pursuant to a contract between UUC and the School District, UUC advises the Commission that as a public utility UUC currently operates water and wastewater systems under the jurisdiction of this Commission in Greenville County, as well as the counties of Oconee, Spartanburg, Union, Greenwood and Anderson. According to UUC, its corporate charter and appropriate bond is presently on file with the Commission. UUC asserts that by Commission Order No. 2002-494 in Docket No. 2000-210-W/S, the Commission approved a schedule of rates and charges for UUC's sewer service, which will be placed into effect under bond pending the resolution of UUC's appeal of Commission Order Nos. 2002-214 and 2002-751 issued in Docket No. 2000-210-W/S.

UUC indicates in its Application that in Greenville County it currently provides water and sewerage service in the Trollingwood subdivision, water service only in the Kingswood and Woodmont Estates subdivisions, and sewer service only in the Valley View Canterbury, Valleybrook, and the Village subdivisions. UUC additionally provides sewer service to North Greenville College. The sewer service area for which expansion is sought ("Proposed Service Area"), according to UUC, is also located in Greenville County and is the subject of a Sewer Service Expansion Agreement ("Agreement") between UUC and the School District, entered into January 29, 2003. Attached to UUC's Application, as Exhibit A, is a copy of the Agreement. UUC articulates that the School District plans to construct a new high school, to replace the existing Woodmont High

School, on a sixty (60) acre tract which comprises the Proposed Service Area. UUC also attaches, as Exhibit B to its Application, a description and precise location of the Proposed Service Area.

UUC states that its Trollingwood wastewater treatment plant ("WWTP") will serve the Proposed Service Area. According to the Agreement, the School District will construct all of the required wastewater collection and transmission facilities ("Transportation Facilities") necessary to connect the Proposed Service Area to UUC's Trollingwood WWTP and will acquire all of the necessary easements and rights-of-way ("Easements"). The provision for conveyance of the Transportation Facilities and Easements to UUC from the School District is provided for in the Agreement also.

Presently, according to UUC, the Proposed Service Area is not served by a public sewer utility subject to this Commission's jurisdiction. Furthermore, no governmental entity has sewer service facilities in the Proposed Service Area. UUC states its belief that approval of the Application and Agreement will serve the public convenience and necessity.

Lastly, UUC addresses the terms, conditions, rates and charges by which it will provide sewer service in the Proposed Service Area. UUC requests approval to provide sewer service in the Proposed Service Area pursuant to the terms, conditions, rates and charges set forth in its existing rate schedule (to the extent modified by Commission Order No. 2002-494, and also as may be modified as a result of any succeeding rulings on UUC's appeal from Commission Order Nos. 2002-214 and 2002-751) and in accordance with the terms of the Agreement.

Upon review of UUC's Application and the exhibits attached thereto, we find that the public convenience and necessity requires the requested extension.

IT IS THEREFORE ORDERED THAT:

- 1. The request of United Utility Companies, Inc. to waive hearing of its request for an expansion of its existing service area to include certain portions of Greenville County, South Carolina and approval of a contract with the School District of Greenville County is granted upon the finding of this Commission that the requested waiver is in the public interest.
- 2. The Application of United Utility Companies, Inc. for approval of an expansion of its existing service area to include certain portions of Greenville County, South Carolina and approval of a contract with the School District of Greenville County is granted upon the finding of this Commission that the public convenience and necessity requires the expansion of United Utility Companies, Inc. service area.
- 3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Mignon L. Clyburn, Chairman

ATTEST:

Gary E. Walsh, Executive Director

(SEAL)